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Lithium Plus Minerals Limited

ACN 653 574 219

Financial Report for the half-year ended 31 December 2021

Lithium Plus Minerals Limited

Half-Year Report

31 December 2021

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Corporate Directory

Board of Directors

Bin Guo

Executive Chairman

Jason Berton

Independent Non-Executive Director

Simon Kidston

Independent Non-Executive Director

George Su

Independent Non-Executive Director

Company Secretary

Robert Lees

Registered Office

Level 6, 18-22 Pitt Street

Sydney NSW 2000

Email: investor@lithiumplus.com.au

Website: www.lithiumplus.com.au

Share Registry

Automic Group

Level 5, 126 Phillip St

Sydney NSW 2000

GPO Box 5193

Sydney NSW 2001

Website: www.automicgroup.com.au

Auditors

RSM Australia Partners

Level 13, 60 Castlereagh Street

Sydney, NSW 2000

Website: www.rsm.com.au

Directors' Report

Your Directors' present their report on Lithium Plus Minerals Limited (**the Company**) for the period from the formation of the Company on 10 September 2021 to 31 December 2021.

Directors

Directors in office from the formation of the Company on 10 September 2021 to the date of this report are:

- Dr Bin Guo, Executive Chairman appointed 10 September 2021.
- Dr Jason Berton, Non-Executive Director appointed 10 September 2021.
- Mr Simon Kidston, Non-Executive Director appointed 10 September 2021. Chairman of the Remuneration Committee.
- Mr George Su, Non-Executive Director appointed 10 September 2021. Chairman of the Audit Committee.

Company Secretary

Mr Robert Edward Lees was appointed as Company secretary on 17 September 2021.

Principal Activities

The Company was incorporated on 10 September 2021 to acquire and develop lithium projects.

The Company has nineteen confirmed Tenements located in the Northern Territory, Australia, which cover a portfolio of two Projects across 1,575 km².

- (a) in the Bynoe Project, the Bynoe and Wingate sub-Projects; and
- (b) in the Arunta Project, the Barrow Creek, Spotted Wonder and Moonlight sub-Projects.

Three further Tenements in connection with the Bynoe sub-Project are currently under application.

The Tenements were acquired from Lithium Plus Pty Ltd, a company related to Dr Bin Guo, in December 2021. Lithium Plus Pty Ltd acquired the Tenements from subsidiaries of Kingston Resources Limited (ASX: KSN) (Kingston) for \$1,800,000 on 31 August 2018.

During the period ended 31 December 2021, the Company raised \$1,055,150 from the issue of securities and progressed its initial Public Offering of securities on the ASX.

Review of Operations

Loss after income tax for the period ended 31 December 2021 is \$123,969.

The Company's primary objective at the Bynoe Project and Arunta Project is to explore for, discover and plan development pathways for lithium resources. These areas have only recently been the focus of lithium exploration and is therefore underexplored with an obvious lack of drilling in zones of known lithium mineralisation.

COVID-19 Pandemic Response

No adjustments have been made to the Group's result as at 31 December 2021 for the impacts of COVID-19. However, the scale and duration of possible future Government measures, and their impact on the Company's activities, necessarily remains uncertain.

Events Subsequent to the End of the Reporting Period

On 10 March 2022, the Company granted a total of 2,600,000 Performance Rights to Directors and the CFO/Company Secretary. Performance Rights will vest on the Company achieving at least \$100 million market capitalisation for a continuous period of 30 trading days (calculated on the daily volume weighted average price). The performance rights expire and lapse five years after issue.

On 15 March 2022, the Company resolved to issue a Prospectus to raise a minimum of \$8,000,000 by the issue of 32,000,000 shares at \$0.25 per share and a maximum of \$10,000,000 by the issue of 40,000,000 shares at \$0.25. The offer opened on 23 March 2022 and closed on 29 March 2022. The indicative timetable has the offer completing on 12 April 2022 with the issue of shares under the offer on 13 April 2022 and holding statements dispatched the next day. Commencement of trading on ASX is expected on 26 April 2022.

No other matter or circumstance has arisen since 31 December 2021 that has significantly affected, or may significantly affect the Company's operations, the results of those operations, or the Company's state of affairs in future financial years.

Auditor's independence declaration

The auditor's independence declaration is set out on the following page and forms part of the directors' report for the period ended 31 December 2021.



Dr Bin Guo
Executive Chairman

Sydney, NSW
20 April 2022

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RSM Australia Partners

Level 13, 60 Castlereagh Street Sydney NSW 2000

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AUDITOR'S INDEPENDENCE DECLARATION

As lead auditor for the review of the financial report of Lithium Plus Minerals Limited for the half year ended 31 December 2021, I declare that, to the best of my knowledge and belief, there have been no contraventions of:

- (i) the auditor independence requirements of the *Corporations Act 2001* in relation to the review; and
- (ii) any applicable code of professional conduct in relation to the review.

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GNS

G N SHERWOOD
Partner

Sydney, NSW
Dated: 20 April 2022

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Lithium Plus Minerals Limited
Statement of Profit or Loss and Other Comprehensive Income
For the period ended 31 December 2021

	Notes	2021 ⁽¹⁾
		\$
Other Income		6
Exploration expenditure		(12,967)
Administrative & other expenses	4	(88,604)
Share-based expenses	9	(22,404)
Loss before income tax		(123,969)
Income tax expense		-
Loss for the half-year		(123,969)
<i>Items that may be reclassified to profit or loss:</i>		
Other comprehensive income		-
Other comprehensive loss for the half-year attributable to owners of the Company		(123,969)
Loss per share attributable to ordinary equity holders:		Cents
Basic and diluted loss per share		(0.2)

The above statement should be read in conjunction with the accompanying notes.

⁽¹⁾ Information is for the period 10 September 2021 to 31 December 2021.

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Lithium Plus Minerals Limited
Statement of Financial Position
As at 31 December 2021

	Notes	31 Dec 2021
		\$
Current assets		
Cash and cash equivalents		526,169
Other assets	5	372,581
Total current assets		898,750
Non-current assets		
Exploration and evaluation	6	3,827,705
Total non-current assets		3,827,705
Total assets		4,726,455
Current liabilities		
Trade and other payables	7	72,870
Total current liabilities		72,870
Total liabilities		72,870
Net assets		4,653,585
Equity		
Contributed equity	8	4,754,550
Reserves	9	23,004
Accumulated losses		(123,969)
Total equity		4,653,585

The above statement should be read in conjunction with the accompanying notes.

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Lithium Plus Minerals Limited
Statement of Changes in Equity
For the period ended 31 December 2021

	Note	Contributed equity \$	Reserves \$	Accumulated losses \$	Total equity \$
Balance at 10 Sept 2021		-	-	-	-
Loss for the period		-	-	(123,969)	(123,969)
Total comprehensive loss for the period		-	-	(123,969)	(123,969)
Transactions with owners in their capacity as owners:					
Contributions of equity, net of costs and tax		1,154,550	-	-	1,154,550
Share-based payment expense (Note 9)		-	23,004	-	23,004
Share-based payment - Tenements acquired (Note 6)		3,600,000	-	-	3,600,000
Balance as at 31 Dec 2021		4,754,550	23,004	(123,969)	4,653,585

The above statement should be read in conjunction with the accompanying notes.

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Lithium Plus Minerals Limited
Statement of Cash Flows
For the period ended 31 December 2021

	2021 ⁽¹⁾
	\$
Cash flows from operating activities	
Payments to suppliers	(400,681)
Net cash outflow from operating activities	(400,681)
Cash flows from investing activities	
Payment for purchases of exploration and evaluation assets	(227,700)
Net cash outflow from investing activities	(227,700)
Cash flows from financing activities	
Proceeds from issues of securities net of costs and tax	1,154,550
Net cash inflow from financing activities	1,154,550
Net increase in cash and cash equivalents	526,169
Cash and cash equivalents at the beginning of the period	-
Cash and cash equivalents at the end of the half- year	526,169

The above statement should be read in conjunction with the accompanying notes.

⁽¹⁾ Comparative information for the period 10 September 2021 to 31 December 2021.

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1 Corporate information

The financial report of Lithium Plus Minerals Limited for the period ended 31 December 2021 was authorised for issue in accordance with a resolution of the Directors on 20 April 2022. The Board of Directors has the power to amend the consolidated financial statements after issue.

Lithium Plus Minerals Limited (the 'Company' or 'LPM') is a for-profit company limited by shares. The Company was incorporated on 10 September 2021 and is domiciled in Australia. The registered office and principal place of business of the Company is Level 6, 18 – 22 Pitt Street, Sydney, NSW 2000.

A description of the nature of the Company's operations and its principal activities are included in the directors' report, which is not part of the financial statements.

The financial statements are presented in Australian dollars, which is the Company's functional and presentation currency.

2 Summary of significant accounting policies

a) Basis of preparation

These interim financial statements are a general-purpose financial report which has been prepared in accordance with AASB 134 Interim Financial Reporting and the Corporations Act 2001. They do not include all of the information required for full annual financial statements.

b) Comparatives

As the Company was incorporated on 10 September 2021 there are no comparative period figures given.

c) New or amended accounting standards and interpretations adopted

The adoption of these amendments did not have any material impact on the current period, and is not likely to affect future periods.

There are no other standards that are not yet effective and that would be expected to have a material impact on the entity in the current or future reporting periods and on foreseeable future transactions.

d) Going concern

The Directors have prepared the financial report on the going concern basis, which contemplates the continuity of normal business activity and the realisation of assets and settlement of liabilities in the normal course of business.

e) Share based payments

Equity-settled share-based compensation benefits are provided to employees.

Equity-settled transactions are awards of shares, or options over shares, that are provided to employees in exchange for the rendering of services.

Options over ordinary shares have been granted to the non-executive directors and Executive Chairman as part of their remunerations and to consultants for the rendering of services. The cost of these share-based payments is measured at fair value on grant date. Fair value is independently determined using the Black-Scholes option pricing model that takes into account the exercise price, the term of the option, the impact of dilution, the share price at grant date and expected price volatility of the underlying share as well as the expected risk-free interest rate for the term of the option.

The cost of share-based payments are recognised as an expense with a corresponding increase in equity over the vesting period. The cumulative charge to profit or loss is calculated based on the grant date fair value of the award, the best estimate of the number of awards that are likely to vest and the expired portion of the vesting period. The amount recognised in profit or loss for the period is the cumulative amount calculated at each reporting date less amounts already recognised in previous periods.

Market conditions are taken into consideration in determining fair value. Therefore, any awards subject to market conditions are considered to vest irrespective of whether or not that market condition has been met, provided all other conditions are satisfied.

f) Cash and Cash Equivalents

For the purposes of the statement of cash flows, cash and cash equivalents includes cash on hand and at bank, deposits held at call with financial institutions, other short term, highly liquid investments with maturities of three (3) months or less, that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value and bank overdrafts.

g) Exploration and evaluation assets

Exploration and evaluation expenditure in relation to separate areas of interest for which rights of tenure are current is carried forward as an asset in the statement of financial position where it is expected that the expenditure will be recovered through the successful development and exploitation of an area of interest, or by its sale; or exploration activities are continuing in an area and activities have not reached a stage which permits a reasonable estimate of the existence or otherwise of economically recoverable reserves. Where a project or an area of interest has been abandoned, the expenditure incurred thereon is written off in the year in which the decision is made.

In the event of acquiring an interest in tenements from the related parties, and the Group issued equity instruments to settle the transactions.

Liabilities or equity instruments related to share-based payment arrangements of the Group are measured in accordance with AASB 2 Share-based Payments at the acquisition date. All goods and services received in exchange for the grant of any share-based payment are measured at the fair value of goods or services received. Equity-settled share-based payment transactions are valued once on the grant date and are never remeasured

h) Goods and Services Tax (GST)

Revenues, expenses and assets are recognised net of the amount of GST, except where the amount of GST incurred is not recoverable from the Australian Taxation Office (ATO).

Receivables and payables are stated inclusive of the amount of GST receivable or payable. The net amount of GST recoverable from, or payable to, the ATO is included with other receivables or payables in the statement of financial position.

Cash flows are presented on a gross basis. The GST components of cash flows arising from investing or financing activities which are recoverable from, or payable to, the ATO are presented as operating cash flows included in receipts from customers or payments to suppliers.

i) Trade and other payables

These amounts represent liabilities for goods and services provided to the consolidated entity prior to the end of the financial year and which are unpaid. Due to their short-term nature, they are measured at amortised cost and are not discounted. The amounts are unsecured and are usually paid within 30 days of recognition.

j) Issued capital

Ordinary shares are classified as equity.

k) Earnings per share

Basic earnings per share

Basic earnings per share is calculated by dividing the profit attributable to the owners of Pinnacle Listed Comprehensive Limited, excluding any costs of servicing equity other than ordinary shares, by the weighted average number of ordinary shares outstanding during the financial year, adjusted for bonus elements in ordinary shares issued during the financial year.

Diluted earnings per share

Diluted earnings per share adjusts the figures used in the determination of basic earnings per share to take into account the after income tax effect of interest and other financing costs associated with dilutive potential ordinary shares and the weighted average number of shares assumed to have been issued for no consideration in relation to dilutive potential ordinary shares.

l) Current and non-current classification

Assets and liabilities are presented in the statement of financial position based on current and non-current classification.

An asset is classified as current when: it is either expected to be realised or intended to be sold or consumed in the Company's normal operating cycle; it is held primarily for the purpose of trading; it is expected to be realised within 12 months after the reporting period; or the asset is cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least 12 months after the reporting period. All other assets are classified as non-current.

A liability is classified as current when: it is either expected to be settled in the Company's normal operating cycle; it is held primarily for the purpose of trading; it is due to be settled within 12 months after the reporting period; or there is no unconditional right to defer the settlement of the liability for at least 12 months after the reporting period. All other liabilities are classified as non-current.

AASB101(69) Deferred tax assets and liabilities are always classified as non-current.

Critical Accounting Estimates and Judgements

The directors evaluate estimates and judgements incorporated into the financial statements based on historical knowledge and best available current information. Estimates assume a reasonable expectation of future events and are based on current trends and economic data, obtained both externally and within the Group.

The preparation of the financial statements requires management to make judgements, estimates and assumptions that affect the reported amounts in the financial statements. Management continually evaluates its judgements and estimates in relation to assets, liabilities, contingent liabilities, revenue and expenses.

Management bases its judgements, estimates and assumptions on historical experience and on other various factors, including expectations of future events; management believes to be reasonable under the judgements, estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities (refer to the respective notes) within the next financial year are discussed below.

Key Judgement and Estimation Uncertainty - Share-based payment transactions

Options over ordinary shares have been granted to the non-executive directors and Executive Chairman as part of their remunerations and to consultants for the rendering of services. The cost of these share-based payments is measured at fair value on grant date. Fair value is independently determined using the Black-Scholes option pricing model that takes into account the exercise price, the term of the option, the impact of dilution, the share price at grant date and expected price volatility of the underlying share as well as the expected risk-free interest rate for the term of the option. Those key inputs in the valuation model requires significant judgements from management. Refer to Note 9 for the key inputs for the valuation of share-based payment. In addition, as stated in Note 9, there is a performance milestone whereby the Company must have produced a JORC compliant Li₂O bearing, minimum Inferred Mineral Resource of 10Mt in order for the option to be exercisable. Management have used their judgement in estimating that there is a probability of 90% of this milestone being achieved with a vesting period of 5 years.

Key Judgement and Estimation Uncertainty – Fair value of Tenements Acquired

As stated in Note 6, on 15 November 2021 the Company entered into a sale of Tenements Agreement with Lithium Plus Pty Ltd which was completed in December 2021. The Company acquired 19 granted Tenements and 3 under application from Lithium Plus Pty Ltd pursuant to the Sale of Tenements Agreement. Pursuant to the agreement, the Company agreed to issue 36,000,000 shares at \$0.10 per share to Lithium Plus Pty Ltd in consideration for the transfer of the Tenements. The transaction is not considered to be a business combination, but rather an asset acquisition that has been settled by a share-based payment as contemplated in AASB 2, Share-based Payments. AASB 2 requires the shares issued by Lithium Plus Minerals Limited be recorded at the fair value of the assets acquired, or the fair value of the equity issued. There is significant judgement and estimation uncertainty with regards to the determination of the fair value of the assets acquired and the equity issued. The directors have engaged independent experts to assist them in determining the range of the fair value of the assets acquired. The Directors have then exercised their judgement in determining that fair valued of the assets acquired is at the upper end of the independent experts preferred range.

3 Segment information

The Company is organised into one operating segment, being exploration in Australia. This is based on the internal reports that are being reviewed and used by the Board of Directors (who are identified as the Chief Operating Decision Makers (CODM) in assessing performance and in determining the allocation of resources. As a result, the operating segment information is as disclosed in the statements and notes to the financial statements throughout the report.

The Company operates in one reportable segment, being exploration in Australia. The Board of Directors review internal management reports on a regular basis that is consistent with the information provided in the statement of profit or loss and other comprehensive income, statement of financial position and statement of cash flows. As a result, no reconciliation is required because the information as presented is what is used by the Board to make strategic decisions.

4 Income and expenses

	31 Dec 2021⁽¹⁾ \$
Other income	
Interest	6
	6
Administrative expenses	
Compliance	6,795
Consultants	26,820
Legal fees	45,989
Occupancy costs	9,000
	88,604

(1) information for the period 10 September 2021 to 31 December 2021.

5 Other current assets

	31 Dec 2021 \$
Prepayments	2,608
Other receivable –GST refund	369,973
	372,581

Other current assets represent the prepaid portion of geological services and expected GST refunds.

6 Exploration and evaluation

On 15 November 2021 the Company entered into a sale of Tenements Agreement with Lithium Plus Pty Ltd which was completed in December 2021.

The asset acquisition details are as follows:

	31 Dec 2021 \$
Purchase price	
As per Tenement acquisition agreement	3,600,000
Stamp duty on Tenement transfers	227,705
	3,827,705
Assets acquired	
Tenements	3,827,705

The Company acquired 19 granted Tenements and 3 under application from Lithium Plus Pty Ltd pursuant to the Sale of Tenements Agreement. Lithium Plus Pty Ltd is wholly owned by Dr Bin Guo, who is also the sole director. Pursuant to the agreement, the Company agreed to issue 36,000,000 shares at \$0.10 per share to Lithium Plus Pty Ltd in consideration for the transfer of the Tenements. Lithium Plus Pty Ltd acquired the Tenements from subsidiaries of Kingston Resources Limited (ASX: KSN) (Kingston) for \$1,800,000 on 31 August 2018. The acquisition was conditional upon the receipt of approval from the Minister for the Department of Industry, Tourism and Trade under the Minerals Titles Act 2010 (NT).

The transfer of the Tenements was registered by the Department of Industry, Tourism and Trade on 17 December 2021, and the shares were issued to Lithium Plus Pty Ltd on 22 December 2021. Cash of \$227,700 was paid for the associated transfer stamp duty.

7 Trade and other payables

	31 Dec 2021
	\$
Trade and other payables	72,870
	72,870

These amounts represent liabilities for goods and services provided to the Company prior to the end of half-year which are unpaid. The amounts are unsecured, non-interest bearing and are usually paid within 30 days of recognition.

Trade and other payables are presented as current liabilities unless payment is not due within 12 months from the reporting date. They are recognised initially at their fair value and subsequently measured at amortised cost using the effective interest method.

8 Contributed equity

Issued share capital is recognised at the fair value of the consideration received by the Company. Any transaction costs arising on the issue of ordinary shares are recognised, net of tax, directly in equity as a reduction of the share proceeds received.

	Date of issue	Issue Price per share	Number of shares	\$
Fully paid ordinary shares:				
Shares issued on Incorporation	10 Sept 2021	\$0.001	9,550,000	9,550
Share issue – fund raising	4 Nov 2021	\$0.10	1,500,000	150,000
Share issue – fund raising	6 Dec 2021	\$0.10	4,750,000	475,000
Share issue – tenement acquisition	29 Dec 2021	\$0.10	36,000,000	3,600,000
Share issue – fund raising	31 Dec 2021	\$0.10	5,200,000	520,000
Closing balance at 31 December 2021			57,000,000	4,754,550

9 Share based payment

Options outstanding

	Date of issue	Issue Price per Option	Number of Options
Exercisable on payment of \$0.25, expiring 22 October 2026	22 October 2021	\$0.0001	6,000,000
Closing balance at 31 December 2021			6,000,000

The Company issued 6,000,000 options to Directors on 22 October 2021. Each option entitles the holder, on exercise, to one ordinary fully paid share in the Company. Options were issued at \$0.0001 per Option and expire on the fifth anniversary of their issue. The option exercise price is \$0.25 and an option may only be exercised after that option has vested. In order to vest and be capable of exercise an achievement of the following performance hurdles:

- (1) a period of six (6) months must have elapsed from the date of grant; and
- (2) the Company must have produced a JORC compliant Li2O bearing, minimum Inferred Mineral Resource of 10Mt.

No voting or dividend rights are attached to the options.

Vesting conditions other than market conditions are not taken into account when estimating the fair value and any service requirements to be rendered is presumed to be satisfied.

Management estimated 90% probability of the non-market vesting conditions being met and the vesting period has been estimated at 5 years.

The number and weighted average exercise prices of share options outstanding as at 31 December 2021 are:

	2021	
	Number of Options	Weighted average exercise prices
Outstanding at the beginning of the period	-	
Granted during the period	6,000,000	\$0.25
Lapsed during the period	-	
Outstanding at the end of the period	6,000,000	\$0.25
Exercisable at the end of the period	-	-

9 Option reserve (continued)

Grant Date	22 October 2021
Vesting period	6 months
Exercise price	\$0.25
Term	5 years
Share price	\$0.20
Risk-free rate	1.38%
Volatility	95%
Early exercise factor	2.5
Dividend yield	0%

A charge of \$22,404 was made during the period as the calculated cost of the options issue, based on the options pricing model with an estimated 90% probability of the non-market vesting conditions being met and the vesting period being estimated at 5 years.

	31 Dec 2021
	\$
Share based payment reserve arising from equity settled share-based payment transactions	22,404
	22,404

10 Commitments

Exploration and evaluation expenditure commitments

There were no changes in the minimum level of commitments since 31 December 2021

11 Contingent assets and liabilities

There were no changes in contingent assets and contingent liabilities since 31 December 2021.

12 Related party transactions

During the period 10 September 2021 to 31 December 2021, the Company acquired Tenements from Lithium Plus Pty Ltd pursuant to the Sale of Tenements Agreement dated 15 November 2021. Lithium Plus Pty Ltd is wholly owned by Dr Bin Guo (Executive Chairman of Lithium Plus Minerals Ltd), who is also the sole director of Lithium Plus Pty Ltd. Refer to Note 6 for the details of the tenement acquired and refer to Note 8 for the shares issued for the tenement acquisitions.

The above transactions were entered into at arm's length terms.

13 Events occurring after the reporting period

On 10 March 2022, the Company granted a total of 2,600,000 Performance Rights to Directors and the CFO/Company Secretary. Performance Rights will vest on the Company achieving at least \$100 million market capitalisation for a continuous period of 30 trading days (calculated on the daily volume weighted average price). The performance rights expire and lapse five years after issue.

On 15 March 2022, the Company resolved to issue a Prospectus to raise a minimum of \$8,000,000 by the issue of 32,000,000 shares at \$0.25 per share and a maximum of \$10,000,000 by the issue of 40,000,000 shares at \$0.25. The offer opened on 23 March 2022 and closed on 29 March 2022. The indicative timetable has the offer completing on 12 April 2022 with the issue of shares under the offer on 13 April 2022 and holding statements dispatched the next day. Commencement of trading on ASX is expected on 26 April 2022.

No other matter or circumstance has arisen since 31 December 2021 that has significantly affected, or may significantly affect the Company's operations, the results of those operations, or the Company's state of affairs in future financial years.

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**Lithium Plus Minerals Limited
Directors' Declaration
For the period ended 31 December 2021**

In the Directors' opinion:

- the attached financial statements and notes comply with the Corporations Act 2001, Australian Accounting Standard AASB 134 'Interim Financial Reporting', the Corporations Regulations 2001 and other mandatory professional reporting requirements;
- the attached financial statements and notes give a true and fair view of the consolidated entity's financial position as at 31 December 2021 and of its performance for the financial half-year ended on that date; and
- there are reasonable grounds to believe that the company will be able to pay its debts as and when they become due and payable.

Signed in accordance with a resolution of directors made pursuant to section 303(5)(a) of the Corporations Act 2001.

On behalf of the directors



Dr Bin Gub
Executive Chairman

Sydney, NSW Australia
20 April 2021

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INDEPENDENT AUDITOR'S REVIEW REPORT**TO THE MEMBERS OF****LITHIUM PLUS MINERALS LIMITED****Report on the Half-Year Financial Report**

We have reviewed the accompanying half-year financial report of Lithium Plus Minerals Limited which comprises the statement of financial position as at 31 December 2021, the statement of profit or loss and other comprehensive income, statement of changes in equity and statement of cash flows for the half-year ended on that date, notes comprising a summary of significant accounting policies and other explanatory information, and the directors' declaration of the entity comprising the company at the half-year end or from time to time during the half-year.

Directors' Responsibility for the Half-Year Financial Report

The directors of the company are responsible for the preparation of the half-year financial report that gives a true and fair view in accordance with Australian Accounting Standards and the *Corporations Act 2001* and for such internal control as the directors determine is necessary to enable the preparation of the half-year financial report that is free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express a conclusion on the half-year financial report based on our review. We conducted our review in accordance with Auditing Standard on Review Engagements ASRE 2410 *Review of a Financial Report Performed by the Independent Auditor of the Entity*, in order to state whether, on the basis of the procedures described, we have become aware of any matter that makes us believe that the half-year financial report is not in accordance with the *Corporations Act 2001* including: giving a true and fair view of the entity's financial position as at 31 December 2021 and its performance for the half-year ended on that date; and complying with Accounting Standard AASB 134 *Interim Financial Reporting* and the *Corporations Regulations 2001*. As the auditor of Lithium Plus Minerals Limited, ASRE 2410 requires that we comply with the ethical requirements relevant to the audit of the annual financial report.

A review of a half-year financial report consists of making enquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Australian Auditing Standards and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

Independence

In conducting our review, we have complied with the independence requirements of the *Corporations Act 2001*. We confirm that the independence declaration required by the *Corporations Act 2001*, which has been given to the directors of Lithium Minerals Plus Ltd, would be in the same terms if given to the directors as at the time of this auditor's report.

Conclusion

Based on our review, which is not an audit, we have not become aware of any matter that makes us believe that the half-year financial report of Lithium Plus Minerals Ltd is not in accordance with the *Corporations Act 2001* including:

- (a) giving a true and fair view of the entity's financial position as at 31 December 2021 and of its performance for the half-year ended on that date; and
- (b) complying with Accounting Standard AASB 134 *Interim Financial Reporting* and *Corporations Regulations 2001*.

RSM

RSM AUSTRALIA PARTNERS



G N Sherwood
Partner

Sydney, NSW
Dated: 20 April 2022

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